



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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August 25, 1992

Mr. Max J. Reynolds  
Vice President, Operations  
Great Salt Lake Minerals & Chemicals\*Corp.  
P.O. Box 1190  
Ogden, Utah 84402

Dear Mr. Reynolds:

Re: Annual Reclamation Surety Review/Update, Great Salt Lake Minerals & Chemicals Corp. (GSLM), Little Mountain Plant, M/057/002, Weber County, Utah

According to Division records, the reclamation surety for GSLM's Little Mountain Plant is due for an annual review and/or update. The surety is automatically renewable for periods for one year from the original renewal date of August 31, 1991. The annual expiration date is, therefore, August 31. Cancellation of the surety by the financial institution requires notifying the Division 90-days prior.

Please find enclosed a Surety Estimate Update for the Little Mountain Plant calculated by the Division. The surety has been escalated to 1993 dollars. This figure was selected by the Division because the surety is not scheduled for another review/adjustment until August 1993. The Division requests the renewed GSLM surety be for the amount of \$233,800 (1993-\$).

At this time I am unsure as to whether this type of annual surety update will require approval by the Board of Oil, Gas & Mining. The amount of increase in the surety (\$5,800) is approximately 2.5% and may not be considered significant enough to warrant routing through the Board. This decision will be made by the Division in the near future and GSLM will be notified of the outcome at that time.

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If you have any questions or concerns regarding this letter do not hesitate to contact me. Thank you for your cooperation in completing this permitting action.

Sincerely,

A handwritten signature in cursive script, reading "Anthony A. Gallegos", followed by a horizontal flourish.

Anthony A. Gallegos  
Reclamation Engineer

jb  
Enclosure  
M057002

## SURETY ESTIMATE UPDATE

Great Salt Lake Minerals & Chemicals Corp.

Little Mountain Plant

Weber County, Utah

M/057/002

Prepared by Utah Division of Oil, Gas & Mining

Last Update

08/24/92

### DESCRIPTION:

- Reclamation estimate originally calculated in 1989 by DOGM as \$182,820
- Reclamation estimate amended 9/16/91 & escalated to \$228,000 (1991-\$)
- Surety is automatically renewable for periods of 1 year
- 90-day prior notice required for cancellation of surety
- Surety is to be reviewed & updated annually until 1994
- Annual expiration date of surety is Aug. 31, 5 pm New York time
- Site consists of approximately 51,000 acres of evaporation ponds,  
500 acres of plant operations, & 115 acres of borrow areas
- Total disturbed area (ponds excluded) = 615 ACRES
- Escalation factors through 1991 are actual Means Historical Cost Indices

CALCULATIONS	YR	ESCAL FACTOR	BOND AMOUNT
$F = P(1 + i)^{**n}$	1985	0.0290	\$0
	1986	0.0210	\$0
F = Future Sum	1987	0.0195	\$0
P = Present Sum	1988	0.0181	\$0
i = Escalation Factor	1989	0.0177	\$0
n = number of periods	1990	0.0077	\$0
	1991	0.0127	\$228,000
Three Yr Average = 1.27%	1992	0.0127	\$230,896
Used to Project 5 Yrs	1993	0.0127	\$233,828
Into the Future	1994	0.0127	
From the Year 1992	1995	0.0127	

Updated Surety Amount Rounded (1993 \$) **\$233,800**

\*\* Average cost per acre = 380 (\$/ACRE)